

**Village of Salado
Salado Municipal Building
301 North Stagecoach Road
Salado, Texas
Minutes of Regular Meeting of Board of Aldermen
February 20, 2020 at 6:30 p.m.**

The Board of Aldermen meeting was called to order at 6:30 p.m. by Mayor Skip Blancett.

Bob Crawford gave the Invocation and Salado High School student Ellie Mescher led the Pledge of Allegiance to the United States and Texas flags.

Board Members Present: Mayor Skip Blancett, Mayor Pro-tem Frank Coachman, and Aldermen Rodney Bell, John Cole, and Michael Coggin. Alderman Amber Preston Dankert was absent.

Salado High School Representative: Averie Piatt was absent.

Staff Present: Village Administrator Don Ferguson and City Secretary Cara McPartland

1. Citizens Communications

No citizen comments were heard.

2. Consent Agenda

- A. Approval of minutes of the Regular Board of Aldermen meeting of February 6, 2020.
- B. Approval of the January 2020 Financial Statements for the Village of Salado.

Alderman Coggin moved to approve the Consent Agenda, as presented. Alderman Bell seconded. Motion carried on a vote of 4-0.

3. Village Administrator's Report

- Wastewater Project Update

Village Administrator Ferguson reported that approximately 84 percent of properties in the initial service area have connected or are in the process of connection; staff will be meeting with owners of Sonic and adjacent businesses early next month to discuss possible extension of wastewater service; bid specifications are being prepared for the acquisition of an odor control system for the Royal Street lift station; correction of misinformation circulating that odors associated with the Royal Street lift station are due to a design flaw; and use of bond funds toward any odor mitigation measures.

- Main Street Improvement Project Update

Village Administrator Ferguson reported the Rock Creek bridge/culvert replacement and Main Street re-opening was completed ahead of schedule. He advised that sections of curb and gutter have been poured between Salado Creek and Thomas Arnold Road, with curb and gutter work to begin at Royal and Main Streets late next week. He stated work on drainage pipe installation is nearing completion. He noted that decorative light poles will have outlets at the base to allow for additional seasonal lighting.

- **Sales Tax Collections**

Village Administrator Ferguson reported that the February 2020 sales tax check totaled \$71,486.74, up about 35 percent from the same period last year. He advised that fiscal year-to-date collections of \$245,589 are up about 8 percent from the same period last year, representing 50 percent of budgeted sales tax revenue at the 42 percent mark into the fiscal year. He said that since the beginning of Main Street construction, sales tax collections have been running about 11 percent ahead of prior year collections.

- **Hotel Occupancy Tax Collections**

No report was heard on this item.

- **2020 Salado General Election Preparations**

Village Administrator Ferguson reported on number of candidates for mayor and alderman positions, deadline to withdraw, drawing for order of candidate names on the ballot, early/election day voting dates, and use of new election equipment.

In addition, Village Administrator Ferguson reported that notice was received this week that ground breaking for Sanctuary Phase I development is set for Monday, March 2, 2020 at 10 a.m. on the Hanks property in the 600 block of Royal Street across from the Methodist Church. Board members and the public are invited to attend. He noted that Phase I involves the development of a 194-acre tract consisting of approximately 190 residential lots that are to be part of a mixed-use development. He also reported that the city secretary has completed her second re-certification as a Texas Registered Municipal Clerk by completing required coursework and seminar attendance through the University of North Texas' Texas Municipal Clerks Certification Program. There was also brief discussion of the status of the development at Smith Branch Road/Royal Street and associated timeframe for provision of wastewater service; modifications to drainage culverts on Main Street; routing of all Sanctuary development construction traffic through temporary access off FM 2268; and provision of a chart depicting available sewer system capacity.

4. Public Hearing and Possible Action

Hold a public hearing and consider approval of the second and final reading of an ordinance of the Village of Salado, Texas, regulating the dedication of park land for new residential subdivisions, fees in lieu of dedication, park land standards, and construction standards for park land improvements; providing for severability; repealing conflicting ordinances and

providing for findings of fact, an effective date, and proper notice and meeting. (*Village Administrator*)

This item was heard after presentation of Agenda Item 5A.

Mayor Blancett explained public hearing procedures and Village Administrator Ferguson gave a brief summary of key ordinance provisions, including updating of certain fees, and establishment of a park development fee, with the goal of minimizing impact on existing taxpayers. He provided details on procedures for developers, including the requirement to attend a pre-submission meeting, collection of fees, and variance requests.

Mayor Blancett opened the public hearing at 7:04 p.m. and announced the first, second, and third calls for public speakers. Hearing none, Mayor Blancett closed the public hearing at 7:06 p.m. and entertained a motion.

Alderman Cole moved to approve the ordinance on second and final reading, as presented. Mayor Pro-tem Coachman seconded. Motion carried on a vote of 4-0.

5. Discussion and Possible Action

- A. Discuss and consider possible action approving the Village of Salado, Texas, Basic Financial Statements and Supplemental Schedules and Independent Auditor's Report for the Fiscal Year ended September 30, 2019. (*Phil Vaughan, CPA, Armstrong, Vaughan & Associates, P.C.*)

Following Agenda Item 3, Village Administrator Ferguson introduced Phil Vaughan of Armstrong, Vaughan & Associates, P.C., who highlighted the report, including explanation of government accounting standards; review of specific financial statements such as General Fund Budget to Actual amounts; transfers in/out; and healthy Ending Fund Balance reflecting 8 months of operating costs in reserve. Mr. Vaughan also reviewed various revenues and expenditures, including ending fund balances, and wastewater utility revenues and expenses. He explained the Loss on Disposal of Prior Wastewater System is related to removing the decommissioned Stagecoach plant from the books, which does not continue to future years. He noted leftover bond funds can be used toward capital costs or debt buy-down. Mr. Vaughan stated there is a healthy pension fund and there are no concerns with unfunded liabilities.

Discussion addressed valuation of the old Stagecoach plant as an asset, calculation of depreciation, and future government accounting standards changes relating to leases.

Action on this item was taken after Agenda Item 4.

Alderman Bell moved to adopt the Basic Financial Statements and Supplemental Schedules and Independent Auditor's Report for the Fiscal Year ended September 30, 2019, as presented. Alderman Cole seconded. Motion carried on a vote of 4-0.

- B. Discuss and consider possible action regarding those properties in the initial service area of the Salado Wastewater System that fail to connect to the system by the February 29, 2020 connection deadline. (*Village Administrator*)

Mayor Pro-tem Coachman recused himself from the meeting at this time (7:08 p.m.), as he is leasing from one of the property owners who has not yet connected to the system.

Village Administrator Ferguson reported that 84 percent of properties in the initial service area are connected or are in the process of connecting. He advised that of the 29 properties not yet connected, 2 have permits issued and are in the process of connecting; 15 have inquired about connecting, but have not yet pulled permits; 7 have a hardship and plan to connect when possible; and 5 have been unresponsive and made no movement to connect. He spoke on various options available for Board consideration to encourage and enforce compliance such as criminal or civil legal actions.

Discussion addressed availability of local plumbers; making contact with the 5 unresponsive property owners; notification of enforcement action to the 15 unconnected property owners who have made inquiries, but do not have permits; and one property owner who is working through engineering issues. Discussion addressed options such as direction to staff to contact the 5 unresponsive property owners immediately to advise of the February 29th deadline; establishing a 60-day deadline for connection after permit issuance; the Board allowing some flexibility for staff to deal with unconnected properties; determining what constitutes a good faith effort to connect; general agreement that all unconnected property owners must pull a permit by the February 29th deadline and be connected within 60 days of permit issuance, and to give staff the latitude to consider special circumstances on a case-by-case basis.

Alderman Cole moved to require all property owners to pull permits by February 29, 2020 and to connect within 60 days of permit issuance, and to give Village Administrator Ferguson the leeway to work through any hardship issues with property owners. Alderman Cole seconded.

Discussion clarified motion language as follows: those property owners who are not connected must pull a permit by the February 29th deadline, then be given 60 days to connect from the date of permit issuance; and if not connected by that date, legal action will be taken in accordance with penalty provisions per Village ordinance; and in addition, Village staff has flexibility to deal with hardship situations that affect meeting the 60-day timeframe to complete connection. Further discussion addressed the feasibility of exploring other options such as requiring unconnected owners to pay their wastewater bills, which are based on anticipated use, or charging permit fees not currently required.

Motion carried on a vote of 3-0.

Mayor Pro-tem Coachman rejoined the meeting at this time (7:40 p.m.).

Addendum to Agenda

5. Discussion and Possible Action

- C. Discuss and consider possible action regarding the proposed lease-purchase of a patrol vehicle for the Salado Police Department. (*Village Administrator*)

Village Administrator Ferguson explained the need to replace a patrol vehicle declared a total loss by the Village's insurance carrier after being hit by a passing motorist on IH-35. After review of various proposals submitted, he recommended Board approval of the acquisition of a 2020 Chevrolet Tahoe from Caldwell Country Ford & Chevrolet and an accompanying resolution to enter into the financing agreement, which calls for 3 yearly payments of \$7,454, with a \$9,001 payment to purchase the vehicle at the end of the agreement. He noted that the \$16,075 check received from the Village's insurance carrier will be used as a down payment on the vehicle. Discussion addressed additional equipment needed and approximate delivery date.

Alderman Cole moved to approve the lease-purchase of a patrol vehicle for the Salado Police Department and an accompanying resolution relating to the financing agreement. Alderman Bell seconded. Motion carried on a vote of 4-0.

Adjournment

Before entertaining a motion to adjourn, Mayor Blancett extended best wishes to all the candidates in this year's election.

Alderman Bell moved to adjourn. Alderman Cole seconded. Mayor Blancett called the meeting adjourned at 7:46 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 5th of March, 2020.

APPROVED:


Skip Blancett, Mayor

ATTEST:


Cara McPartland, City Secretary

